



# ADMINISTRATIVE NOTES

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**Michael F. DiMario  
Public Printer**

**Remarks before the House Oversight Committee  
on  
Government Printing Reform**

**Tuesday, August 1, 1995  
1310 Longworth House Office Building  
10 A.M.**

Mr. Chairman and Members of the House Oversight Committee, thank you for inviting me to this hearing on Government printing reform. Thank you also for inviting Wayne Kelley, GPO's Superintendent of Documents, to speak during this hearing. Mr. Kelley's remarks have my full support.

My opening statement will be brief. I have submitted a prepared statement for the record which summarizes the programs of the Government Printing Office. The statement includes my comments on the legislation affecting GPO that is currently before the House.

I agree in concept with the proposal in H.R. 1024 to decrease executive branch printing capabilities and procure more printing through GPO. This could reduce the Government's printing costs and also expand the amount of information made available through the Depository Library Program.

Apart from this concept, however, I do not believe the pending legislation represents an improvement over the current system. Instead, there is a great potential for Congress to lose the close control over printing that it currently enjoys, and to increase the cost of Government printing overall. Even more disturbing to me is the potential to impair effective, equitable public access to publications in both printed and electronic forms.

One of the disappointments of this legislation is its apparently limited conception of GPO and the work we do. We are not 19th century printers with green eye shades. GPO has long since advanced beyond that technological state.

GPO today provides information in a broad range of formats, from ink-on-paper to CD-ROM and online databases. We are one of America's access ramps to the information superhighway, and the congressional information databases we prepare everyday are the building blocks for the cyber revolution that is sweeping Capitol Hill. The legislation before you this morning is silent on GPO's growing electronic role.

The notion of public printing in America has always supported the greater democratic ideal of Government in the sunshine. Congress designed a practical system in GPO to perform printing and then distribute the publications not only efficiently and economically, at enormous savings to the taxpayers, but on a comprehensive, equitable basis. So when we talk about changing the law authorizing GPO's operations, we are talking about much more than printer's ink. We are talking about how well--and at what cost--the Government will be able to keep the public informed.

The legislation before you today could have major negative impacts on GPO's Depository Library Program. Because we disseminate virtually all the publications we produce, no other Federal information dissemination program is as comprehensive. No other reaches as wide an audience, or operates on such open access terms. Nor can any other program claim the economies it achieves. Compared to the vast body of printing and publishing activities performed annually by Government, this program manages to disseminate an enormous range of information on a budget of about \$25 million.

Mr. Chairman, the leadership of the House has clearly signalled its interest in using technologies to improve public access to Government information, and I applaud that. But in our enthusiasm for the new technology, we must be careful not to let go of proven information systems, and protections must be provided for those who do not have the computers and other technologies that make electronic access meaningful. If we do not provide for equitable access by all citizens, we run the risk of turning into a Nation of information-haves and information have-nots: a Nation of information elites, armed with technology, and a Nation of the information-dispossessed.

Mr. Chairman, whatever its faults, ink-on-paper today is still the most egalitarian of information formats. It is accessible, transportable, and economical. It is still recognized as the official medium for Government documents. It still has the best chance of preservation for future generations. And it still is sought by vast numbers of Americans who use Government information for a wide variety of purposes, including the most basic use of all: holding the Government accountable for its actions.

Under the legislative proposals before you today, however, accessibility to printed products is likely to decrease while the costs of that accessibility are likely to rise. If information then is made available only in electronic form, the result will be an unusable system of access to a sizable portion of our population.

This is not the kind of information policy that should be pursued by the Government. Mr. Chairman, the Government needs a policy that guarantees economy and efficiency, and which encourages public access by holding down costs and promoting efficient dissemination mechanisms. The current system established by Title 44 provides these benefits, and on-

going efforts at GPO to reduce costs as well as continuing progress with electronic technologies are improving on them.

I am concerned that these legislative proposals will undermine those benefits, and so I strongly urge Congress to critically examine these proposals from the standpoint of how they will affect public access before acting on them.

Mr. Chairman, this concludes my prepared statement, and I would be pleased to answer any questions you may have.





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**Prepared Statement before the  
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on  
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**Tuesday, August 1, 1995  
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Mr. Chairman and Members of the Committee on House Oversight, thank you for inviting me to be here this morning at this hearing on Government printing reform.

I was appointed Public Printer by the President and confirmed by the Senate in 1993. I am the chief executive officer of the Government Printing Office (GPO), the mission of which is specified principally by the public printing and documents chapters of Title 44 of the United States Code, as amended in 1993 by the GPO Electronic Information Access Enhancement Act (P.L. 103-40). With the addition of the requirements of this Act, GPO today provides a full range of multi-media information services to Congress, Federal agencies, and the public.

In the oversight hearing before the Joint Committee on Printing (JCP) on June 6, 1995, I provided detailed information on GPO's various programs and services. I am including this information today for the benefit of this Committee. My comments on the legislation pending before Congress follow.

**GPO PROGRAMS AND SERVICES**

**Congressional Printing.** Congressional work is performed in GPO's central office plant in Washington, DC, to provide Congress with immediate service in an environment that is under its direct control.

Before GPO was established in 1861, Congress experimented with a variety of systems for contracting out its printing. These were widely acknowledged as failures for their inability to perform the work.

To remedy these problems, Congress established the closely-supervised system of printing in GPO that continues today. Under this system, GPO works in concert with a number of congressional offices in both Houses to ensure that all congressional work is done promptly, uniformly, and economically, and is delivered in a timely manner to facilitate the orderly conduct of legislative business.

The principal product for Congress is the *Congressional Record*, which is printed overnight and delivered the next morning every day that Congress is in session. The printing and distribution of this vital publication are required by law. Other major congressional products include bills, resolutions, and amendments; hearings; business and committee calendars; committee reports; committee prints; documents; miscellaneous publications, such as the *Congressional Directory*; miscellaneous printing and binding, such as letterheads; and document envelopes and document franks. GPO also details printers to Congress to assist in preparing products for printing.

GPO's central office facility by design throughout its existence has been equipped and staffed to handle any eventuality in congressional printing. For example, the requirements for the *Congressional Record* can vary widely from day to day. GPO must be prepared to print a 20 page issue one day and a 400 page issue the next, depending on the needs of Congress.

Likewise, GPO can only estimate the volume of congressional printing that is likely to be ordered in any year, based on historical knowledge of congressional printing cycles, and GPO by law cannot refuse to print any congressional requirement. The scheduling and volume of congressional printing are mandated by Congress, and GPO's job is to be prepared for any workload demands regardless of whether there is advance notice. If GPO is not prepared, the legislative process can be adversely affected.

Revenues from congressional printing in FY 1994 were \$76.4 million. These were reimbursed to GPO by the annual Congressional Printing and Binding (CP&B) Appropriation. Along with additional copies of congressional products that were printed and paid for by Federal agencies, GPO produced and delivered approximately 2.3 billion units of congressional work in FY 1994.

**Inhouse Printing for Agencies.** GPO also produces some agency work inhouse, although the vast amount of agency work is procured from the private sector.

Agency work produced inhouse falls into four general categories. About 45 percent is for four major agency products that GPO considers to be core Government products: the *Federal Register*, the *Code of Federal Regulations*, U.S. passports, and postal cards.

Another 40 percent is other agency work printed in the central office plant, which includes both sensitive work, such as the President's State of the Union Address, the *U.S. Budget* and the *Economic Report of the President*, and other work GPO uses to keep its equipment running during periods of reduced demand for congressional products.

Slightly less than 10 percent of all the work produced inhouse is congressional work that is produced on the requisition of and billed to Federal agencies.

The remaining 5 percent of agency work is printed in GPO's 4 regional printing plants located in Chicago, New York, San Francisco, and Denver. A major core product, the *Commerce Business Daily*, is printed in the Chicago regional plant. GPO has been reviewing the continued need for all of these plants. A printing plant located at the Washington Navy



Yard was closed in 1992. GPO recently closed the Seattle printing plant and will be requesting the closure of the San Francisco plant in the near future.

Revenues from all inhouse agency printing were approximately \$103.3 million in FY 1994. Another \$17.4 million was generated from sales of blank paper to agencies, as authorized by Title 44, and \$512,000 was realized from the sale of waste and scrap, primarily from the sale of waste paper. All of these funds were paid to GPO by requisitioning agencies or waste and scrap contractors.

**Printing Procurement.** The vast majority of agency work is contracted out through GPO's Printing Procurement Program, one of the most effective and successful procurement programs in the Federal Government. Of all the printing coming to GPO from all three branches of the Government each year, approximately 75 percent is contracted out to the private sector. Excluding agency work which is routinely produced inhouse (such as the *Federal Register*), between 90 and 95 percent of all agency work requisitioned from GPO is procured from the private sector.

GPO does business with 130 agencies in the executive branch, represented by approximately 4,500 individual billing address codes. GPO's procurement activities are conducted from the central office in Washington, DC, and from 14 regional procurement offices and 6 satellite procurement offices nationwide that serve the needs of regional Federal agencies.

By maximizing competition for Government printing contracts in the private sector, GPO's procurement program obtains significant cost savings in Government printing. Procuring printing through GPO also ensures that the vast body of Government publications obtained through the procurement process is made available to GPO's distribution programs, especially the Depository Library Program.

GPO provides agencies with a broad variety of procurement services in exchange for a nominal surcharge on the value of the work procured, which is currently 6 percent. For this price, GPO provides all contracting services, including drafting specifications and bidding, awarding, and administering contracts, plus all associated work, such as certifying vouchers submitted by contractors and paying them. GPO also performs all work associated with selecting publications for its distribution programs. Finally, the surcharge recovers costs associated with providing legal advice to contracting officers, dispute resolution through GPO's Board of Contract Appeals, and contract audits by GPO's Inspector General. For each agency to provide such services would impose an enormous cost on the taxpayers.

At the same time, agencies can maintain a significant amount of control over their printing through direct deal term contracts. These contracts are established, competed, and administered by GPO, but they permit agencies to place orders directly with the contractor. Agencies also benefit from utilizing GPO's expertise in reviewing their print requisitions. GPO recently saved a substantial amount of funding for an agency based on such a review, and the agency has selected the GPO printing specialist who proposed the savings for an award.

Commercially procurable work going into the private sector generates employment, tax revenues, and a broad variety of other economic and social benefits nationwide. Approximately 12,000 private sector firms, or more than a quarter of the printing industry, representing an estimated 240,000 employees, are registered on GPO's master bid list according to their capabilities. The competition among them for Government printing contracts drives prices down. At the same time, GPO's centralized resource for printing procurement provides private sector firms with a one-stop-shopping capability that also keeps their costs down.

The Printing Procurement Program generated total revenues of \$526.8 million in FY 1994. These funds were paid to GPO by the requisitioning agencies. Of the total amount paid, \$499.3 million was a pass-through cost: it was paid by the agencies to GPO for their work, and GPO subsequently paid this amount to printing contractors. GPO retained \$27.5 million from the procurement surcharge to recover the costs of procurement services. The amount of funding retained by GPO is minuscule compared to annual savings for the taxpayers generated by the Printing Procurement Program.

**Publications Distribution.** The institutional link between the production and distribution of publications in GPO ensures that the most comprehensive body of publications is made available for dissemination to the public. GPO distributes approximately 100 million publications annually. The share of these publications distributed in electronic format is growing sharply as GPO aggressively pursues increased CD-ROM and online business.

Comprehensiveness is especially important to GPO's Depository Library Program, which distributes publications to approximately 1,400 libraries nationwide where they are made available for the free use of the public. With antecedents dating to the early 19th century, the Depository Library Program is the Nation's first "freedom of information" program. Today it continues to serve millions of Americans annually.

Without the guarantee of comprehensiveness, the publications that belong in the program by law would likely be lost. Currently, such a problem exists with fugitive documents, due to their production elsewhere than GPO. This problem has been well documented, such as in hearings held before the JCP in April 1991.

Libraries are designated as Federal depositories by Senators and Representatives as well as by law. GPO sends the libraries copies of all Government publications that are not purely of an administrative nature, cooperatively sponsored, or classified for reasons of national security.

The majority of the libraries are selective depositories that tailor their acquisitions to local needs. Fifty-three libraries serve as regional depositories and are required to receive and permanently retain every publication distributed by GPO. The majority of depository libraries are located in colleges and universities, making the Depository Library Program an important element of the American educational and research system.

GPO pays for the cost of printing and distributing publications to the libraries, as well as all administrative costs associated with the program. The average cost of printing, cataloging, and distributing each publication shipped to depositories is approximately \$1.35.



GPO is reimbursed for all the costs of the Depository Library Program by the annual Salaries and Expenses (S&E) Appropriation for the Superintendent of Documents. Funding for this program in FY 1994 was \$24.5 million.

**Other Salaries and Expenses Programs.** The S&E Appropriation also funds three other programs.

The Cataloging and Indexing Program is established under the requirement in Title 44 to index and classify all Government publications and prepare the *Monthly Catalog of U.S. Government Publications*. Access to the comprehensive body of all Government publications is especially critical to the effectiveness of this program. Funding for cataloging and indexing was \$3.2 million in FY 1994.

Under the Statutory Distribution Program, required by various sections of Title 44, certain publications are distributed free of charge to recipients designated by law. One of these publications is the *Congressional Record*. The CP&B Appropriation pays for the printing of statutory distribution copies, and the S&E Appropriation pays for the distribution costs. Funding for this program was \$629,000 in FY 1994.

The International Exchange Program is conducted pursuant to international treaties and subsequently codified in Title 44. Under this program, U.S. Government publications are distributed to foreign libraries in exchange for copies of publications which are shipped to the Library of Congress. The Library administers this program and GPO distributes the publications. Funding for this program in FY 1994 was \$712,000.

**Sales Program.** In addition to distribution programs funded by the S&E Appropriation, GPO operates two other distribution programs.

One is the Sales Program. This is GPO's largest distribution program. Under it, publications are offered for sale by the Superintendent of Documents based on a pricing formula established by Title 44. Approximately 12,000 titles are offered for sale, and the program offers titles in print, CD-ROM, and online formats.

Publications are sold through a mail order operation based in GPO's central office. They are distributed from facilities in Laurel, MD, and Pueblo, CO. GPO also operates 23 bookstores nationwide for walk-in customers.

Major bestsellers include the *U.S. Budget*, the *Dictionary of Occupational Titles*, the *Statistical Abstract*, and the *Federal Register*, although congressional documents, such as tax reform legislation, frequently attract substantial public interest. The typical publication averages \$11.00 in price, which is far lower than prices for comparable books in the bookdealing industry.

The prices of publications sold through the Sales Program recover all the costs of the program, which employs 625 personnel. No appropriated or agency funds are used to support the program. In FY 1994, the Sales Program earned \$81.9 million in revenues, yielding a net income of \$6.2 million. Net income is retained by GPO for program modernization.



Recent modernization projects include the recent installation of an upgraded telephone order system to provide improved service to the thousands of callers from around the Nation that GPO serves every day, and the development of an integrated order processing system. A major consolidation of all Sales Program activities from leased to owned space in GPO's central office was also recently concluded. The consolidation will generate major lease savings and was completed both on time and under budget.

**Agency Distribution Service.** GPO also performs distribution services for Federal agencies, under provisions of Title 44. The agencies designate the recipients and GPO distributes the publications. This is a reimbursable operation: GPO provides the service and is paid by the agencies. There is no appropriation to GPO for this program.

The largest reimbursable operation is the Consumer Information Center in Pueblo, CO, which GPO operates for the General Services Administration (GSA). This well-known program distributes consumer information products nationwide. In FY 1994, GPO generated total revenues of \$5.6 million from reimbursable distribution activities, yielding a net income of \$250,000.

## IMPACT OF ELECTRONICS ON GPO'S PROGRAMS AND SERVICES

While printing remains the largest part of GPO's work, the methods GPO uses to print and disseminate publications have changed due to the impact of electronic information technology. GPO assembles electronic databases through its automated composition system. These databases can be output for printing and used for a variety of information dissemination formats, including CD-ROM and online dissemination. GPO now considers the electronic database the primary form of a publication, which can then be output in any number of multi-media formats.

**GPO Access Service.** Congress itself recognized the opportunities made possible by GPO's technologies when it passed, with the leadership of the Members of the JCP, P.L. 103-40. This Act requires us to provide a number of dissemination services in online format. P.L. 103-40 reflects the broader mission that GPO now performs: assisting Congress and Federal agencies in managing the life cycle cost of information products and providing the public with an expanding range of access to those products.

Since opening in June 1994, the online service created under P.L. 103-40--the GPO Access service--has downloaded more than 2 million online documents to users nationwide, and this number continues to grow monthly. Today the service provides access to online versions of the *Congressional Record*, the *Federal Register*, the *U.S. Code*, congressional bills, General Accounting Office (GAO) reports, and other information via the Internet.

The Access service is available free of charge to the public around the clock through a network of public gateways operated in cooperation with participating depository libraries nationwide, rather than through a centralized resource in GPO. To date, more than 500 depository libraries are connected with the Access service. A GPO home page on the World Wide Web has been initiated which features the capability to link users directly with the

Access service, although those without World Wide Web capability can also easily link to the Access service.

The Access service gateways have proven to be an effective model for devolving the responsibility and resources for providing online access to Government information back to the local level. So successful has this approach been that in December 1994 the Access service was awarded a Federal Technology Leadership Award by the Office of Management and Budget (OMB) and *Government Executive* magazine. In March 1995, the Access service won the James Madison Award from the Coalition on Government Information, composed of library and Government information user groups nationwide.

**CD-ROM Technology.** For several years, GPO has been a leading Government producer of CD-ROM. In 1992, GPO received the annual award of the Special Interest Group for CD-ROM Applications and Technology (SIGCAT), the largest CD-ROM user group in the world. In 1993, the GAO cited GPO's CD-ROM program as one of the most cost-effective in the Government, specifically noting that GPO's CD-ROM products are among the least expensive for users. GPO also produces and distributes electronic formats on diskettes and in other media.

**Impact of Electronics on Printing.** The characterization of GPO as a 19th century facility has no basis in the technology GPO uses. Under the leadership of the JCP, GPO converted from hot metal typesetting to electronic composition 20 years ago. In fact, GPO's conversion to electronic information technologies substantially predated the rest of the Government's adoption of electronic systems for publication activities.

The conversion made it possible to vastly cut back on the number of personnel needed to perform printing. Two decades ago, GPO had 8,500 employees; today, there are about 4,100. In the past two years alone, the workforce has been reduced by more than 700 positions. These were real cuts in staffing, not just in positions, and have yielded tens of millions of dollars in savings.

At the same time, technology has significantly improved productivity, and has been primarily responsible for the relatively flat level of funding GPO has been able to maintain for congressional printing over the past several years. In terms of dollars adjusted for inflation, the *Congressional Record* today costs two-thirds of what it cost before GPO converted technologies. GPO's prepress system is connected to Capitol Hill through a series of fiber optic links, permitting an increased amount of data to be input on the Hill and transmitted to GPO for production, which further reduces costs. In the Printing Procurement Program, GPO is moving toward a more comprehensive electronic commerce capability.

GPO is operating print-on-demand systems in the central office plant and in the Senate; we hope to work with the House to establish a similar system. These systems are networked so that electronic files of publications can be transmitted and downloaded directly for reproduction, a capability that has the potential for reducing costs by limiting production beyond the original print run only to copies produced on an as-needed basis.

GPO's new offset presses represent the latest technology available, from their electronic control panel to the robotic lifts for finished products. Three of these presses replace four



outdated pieces of equipment that are more than 40 years old. The new presses require smaller press crews, vegetable-based inks as required by law, and the quality of the work they produce is vastly superior to the former product. In addition, the presses have the capability to print in metric size and can be equipped with the most advanced direct-to-plate technology as that becomes available.

Not long ago, I attended a printing industry briefing on the outcome of the DRUPA print trade show, the largest such show in the world, which was conducted in Germany in May 1995. DRUPA showcases the latest in print technology. This year the emphasis was entirely on the expanding use of digitized data systems. The briefing indicated to me that GPO is well in line with the printing industry in the use of electronics and the movement toward digitization. In fact, I would say GPO is literally state of the art if not on the leading edge in this area.

I have seen the findings of the House Audit of Administrative Operations concerning achieving greater economies in printing and information services provided to the House, and GPO is prepared to work with the House to achieve these economies. GPO is also prepared to work with the Library of Congress in its effort to develop an integrated legislative information tracking system for Congress.

**Technology Impact on the Depository Library Program.** Significant modernization activities have been underway in the Depository Library Program. Through a combination of microfiche, CD-ROM, and online technologies, only 35 percent of all copies going to depository libraries today are distributed in traditional ink-on-paper format.

The continuing migration to electronics will generate increased savings for taxpayers. However, I am concerned that the migration be managed appropriately to ensure that public access to important Government documents is not lost.

Last year, a GPO-sponsored study group completed a review of how best to migrate the production of the *Congressional Serial Set* to CD-ROM. The group included representatives of GPO, Congress, and the library community, and its recommendations were endorsed by the Depository Library Advisory Council to the Public Printer. I would like to see similar cooperative efforts applied to the migration of other key publications to electronic efforts.

## PENDING LEGISLATION

I have reviewed the legislation affecting Government printing that is currently pending before the House. While some of this legislation has merit, such as the provision in H.R. 1024 concerning the closing of agency printing plants (a measure that GPO has long advocated), a number of provisions of these bills are, in my opinion, highly problematic and have a strong potential for leading to increased costs of production and dissemination. They also have a strong potential for impairing effective, low cost public access to Government information.

**H.R. 252**

H.R. 252 would implement the recommendations of the Joint Committee on the Organization of Congress that operated during the 103d Congress. It has limited provisions affecting GPO.

**Sunsetting GPO's Authority.** Section 341 of H.R. 252 would sunset GPO's permanent authorization and make it subject to reauthorization every 8 fiscal years, beginning in FY 1997. I testified on a similar provision in S. 1824 in hearings before the Senate Committee on Rules and Administration in 1994.

Unlike most recent legislation, the public printing and documents statutes of Title 44 do not include a separate provision for authorization of appropriations. Instead, the statutory authority for GPO lies in the multiple requirements of GPO established by law, throughout chapters 3, 5, 7, 9, 15, 17, 19, and 41 of Title 44. Authorizations are also found in Title 1 and Title 5 of the U.S. Code. These multiple authorizations not only describe the work GPO is to perform, such as the form and style of publications and the designation of recipients, but implement broader concepts and purposes, such as the provision of printing services to directly support the legislative function of Congress and the dissemination of publications to support an informed public.

If H.R. 252 is enacted, all of these provisions would be sunsetted, including the Depository Library Program which has been in operation since 1813, requiring their re-enactment either as a whole or perhaps separately. In so doing, this legislative action would have impacts that could fall far beyond the legislative intent of this section.

**Improved Coordination of Services.** Section 342 calls for a study to provide for better coordination of legislative branch services, including printing. GPO supports improved coordination, but no other legislative branch entity has the statutory authority to provide printing services to Congress.

**Abolition of the JCP.** Section 352 would abolish the Joint Committee on Printing as well as the Joint Committee on the Library and replace them with a new Joint Committee on Information Management. I have no comment on abolishing the Joint Committee on the Library since this committee does not affect GPO's operations. With respect to the abolition of the JCP, however, my comments are relevant not only to this proposal as contained in H.R. 252 but to similar proposals in H. Res. 24 and H.R. 1024.

The JCP serves a number of important functions. It was established primarily as an instrument to ensure a uniform publications policy between both Houses of Congress. Today this function is still important. The JCP acts as a referee between the House and Senate in determining publications policies and priorities for the GPO. This function is critical during extremely busy congressional periods, such as *sine die* sessions, when both Houses place different and frequently competing demands on GPO for priority service. Without the JCP to mediate between these demands, it would be difficult to establish the priorities necessary to ensure that legislative business in each House is expedited.



Another important function of the JCP is the oversight of GPO's Printing Procurement Program. While this program is authorized under section 502 of Title 44, it was action by the JCP beginning during the Second World War, and expanded during the 1960's, that created the now widely-observed Federal printing policy of purchasing procurable printing from the private sector. This policy has saved enormous sums of taxpayer dollars and generated thousands of jobs and substantial tax revenues in the printing industry. JCP oversight of this program is principally responsible for ensuring that approximately 75 percent of all work requisitioned from GPO is actually procured.

Finally, the JCP serves as the focal point in Congress for the oversight of the Depository Library Program, helping to ensure that as many publications as possible are made available for public use free of charge in libraries across the Nation. Although fugitive documents remain a substantial problem, were it not for the JCP the problem would today be magnified many times over.

I am aware of arguments about the constitutionality of some JCP authorities, and I am also aware of concerns that a committee of Congress should not be burdened with housekeeping oversight of the GPO. These concerns could be allayed with a number of far simpler statutory changes or even delegations of authority transferring certain existing JCP authorities to the GPO.

The role of referee and policy oversight exercised by the JCP should be retained by Congress, however. If Congress decides to abolish the JCP in its present form, however, the proposal for a Joint Committee on Information Management, which embraces these functions, is a good one.

## **H. Res. 24**

H. Res. 24 would transfer the responsibility for executive branch printing to the GSA, transfer the Superintendent of Documents function to the Library of Congress, abolish the JCP, reduce GPO's inhouse production capacity to the minimum level necessary in addition to contracting out congressional printing whenever possible, reduce the workforce at GPO to 800 persons, and provide for other reporting and auditing functions.

As I understand it, H. Res. 24 calls on the appropriate committees of the House to develop specific legislation to accomplish the purposes it specifies. To my knowledge, this has not been done, so it is difficult to comment in depth about the specific impacts of these measures. However, I have some general observations on this resolution.

**Separating Distribution from Production.** The distinguishing feature of H. Res. 24 is that it calls for a separation of GPO's printing function from its distribution function, first by removing the responsibility for executive branch printing, and second by severing the Superintendent of Documents from the remaining GPO.

There are substantial disadvantages to divorcing distribution from production. As I testified in hearings early in 1994 on the proposals of the National Performance Review (NPR) and Title XIV of H.R. 3400 in the 103d Congress, breaking the link between documents production and distribution would undermine one of the most cost-effective

features of GPO, as well as the principal feature ensuring that the public has the most comprehensive access to Government publications.

The Superintendent of Documents works directly with GPO's production operations to select publications directly from the production stream for inclusion in documents dissemination programs. It would be far more administratively difficult--and more costly--to try to duplicate this service between different organizations, such as the Library of Congress and the GPO in the legislative branch and the GSA in the executive branch, than under the current system. Moreover, with increased administrative difficulties would come the increased risk of publications not being included in the system.

GPO is already confronted with a well-documented fugitive document problem in the system as it exists. This problem would likely increase under the system envisioned by H. Res. 24.

**Transferring Executive Branch Printing to GSA.** This provision essentially implements a feature of the NPR. However, I see several distinct disadvantages to removing the responsibility for executive branch printing to GSA.

The transfer would eliminate economies of scale GPO already provides for executive publications. For example, the *Federal Register* is produced on the same equipment, and using virtually the same resources, as the *Congressional Record*. Production of this publication by GSA will require an investment in duplicative equipment. The same database used to develop the *U.S. Budget* is also used to prepare appropriations workbooks for Congress. The same resources are used to mount the *Register* and *Record* databases on the GPO Access Service for online dissemination. Severing executive branch printing from GPO will lose these economies.

Placing all executive branch printing in GSA will make it subject to the executive branch procurement regulations contained in the Federal Acquisition Regulations. As the printing industry has documented, these regulations are far less accessible to those seeking small purchase bidding opportunities, which is what the vast majority of Government printing procurements are, than GPO's Printing Procurement Regulations. The result would be a Government printing procurement system that is far less open and far less competitive than the current system, and will raise printing procurement costs.

The Administration has already indicated its desire to vastly decentralize executive branch printing back to the agencies themselves in the draft reports prepared by the NPR. With the statutory removal of executive printing to GSA, it would not be long before this printing responsibility would be removed to the agencies. When that happens, the potential for significantly increasing inhouse agency printing capability will be very strong. The overlap, duplication, and inefficient operation of such plants has been well documented in reports from the Office of Technology Assessment (OTA), the GAO, GPO's Inspector General, and the oversight hearings of the JCP. I testified to this in the hearings on the NPR recommendations last year.

The procurement of printing will also be significantly more expensive if conducted by agencies individually rather than through a centralized resource, and will significantly



decrease the opportunities for open, competitive bidding. This potential has been well-documented by the printing industry.

Finally, the decentralization of printing in the executive branch will make it very difficult--as well as very expensive--to ensure effective comprehensive public access to Government information through the Depository Library Program.

**Transfer of the Superintendent of Documents to the Library of Congress.** This was proposed in Title XIV of H.R. 3400 in the 103d Congress. In my testimony on this legislation in 1994, I noted the results of a study of such a transfer conducted by the Library in early 1994. With respect to the desirability of divesting GPO's dissemination arm from production operations, the Library observed that the link between production and distribution "is paramount to program efficiency."

The Library's study also noted a number of institutional disadvantages to any transfer. For example, it would introduce into the Library a warehouse-based dissemination operation that is outside its experience and the scope of its primary mission to serve Congress. Apart from the dissemination of general reading materials to libraries for the blind and physically handicapped (a program which serves about 750,000 people a year compared with the more than 8 million served by GPO's Depository Library Program alone), the Library has little experience in large, publicly-oriented dissemination programs focusing solely on the distribution of public documents. Indeed, the Library uses GPO to perform distribution for the International Exchange Program, which is under its jurisdiction.

The addition of hundreds of Superintendent of Documents employees to the Library would likely overburden the Library's existing human resources and financial systems. The Library also lacks the physical capacity to house the Superintendent of Documents' operations, raising the possibility of significant job relocations for large numbers of Superintendent of Documents employees. In addition, it is not clear what labor-management arrangement Superintendent of Documents employees would have in the Library. Currently, most Superintendent of Documents employees have bargaining rights for wages, hours, and working conditions. If these arrangements are preserved under the transfer, it will introduce a new labor-management system into the Library that it may or may not be equipped to handle.

Beyond these matters, the Library's 1994 study did not indicate any specific program advantages to the transfer. Would the Library be any better equipped to deal with the problem of fugitive documents? Would the Library be able to price, market, and sell Government publications any more effectively or less expensively than GPO? The Library would have a difficult enough challenge to surmount in the division of the Superintendent of Documents from GPO's production operations. The Library's report overall concludes that it would not be able to provide any better tools to address the major challenges confronting the Superintendent of Documents today--expanding electronic dissemination, improving operations with limited funding, and meeting the rising expectations of Government information users--than are available to GPO.

Finally, the 1993 Congressional Budget Office (CBO) report on Title XIV of H.R. 3400 indicated no identifiable savings are projected to result from the proposed transfer. The CBO

found no positive cost/benefit rationale to justify the transfer. In light of the administrative problems that are likely to result from the transfer, GPO believes there is the significant potential for increased costs that should be considered before this proposal is advanced.

**Downsizing Remaining GPO Operations.** H. Res. 24 would require GPO to maximize the procurement of congressional work, and to reduce its remaining staffing level to 800 personnel.

I do not know how the number of 800 was arrived at; I do not know whether it represents production or procurement personnel, or also includes other personnel GPO is required by law to maintain, such as an Inspector General staff and EEO personnel, or personnel that are necessary to the operation of any organization, such as employees for budgeting, accounting, personnel, security, data processing, and so forth. Thus, it is difficult to comment on this provision. Comments on procuring congressional printing are included in my discussion of H.R. 1024.

## **H.R. 1024**

H.R. 1024 would abolish the JCP; transfer specific JCP powers to the Public Printer; establish new reporting procedures for the GPO; provide for a statutory definition of "printing"; establish a new system of GPO accounts; close down all inhouse Government printing production operations and require the competitive procurement of all Government printing through GPO; relax the current limitations on certain kinds of Government printing; make changes to the distribution of Government publications; and provide for a different method of scoring the sales of Government assets.

**Transfer of Authorities to the Public Printer.** Section 2 of H.R. 1024 would transfer certain administrative duties of the JCP to the Public Printer. It would help address separation of powers concerns that have been raised with respect to the execution of these particular functions by the JCP.

However, some of the powers of the Public Printer to remedy "neglect, delay, duplication, and waste" in Government printing provided by this section would be undercut by other sections of the bill pertaining, for example, to illustrations and the form and style of Government work. Also, the bill would bar inhouse production as a specific remedy to delays in Government printing, including congressional work.

**Annual Report to Congress.** The Public Printer already provides an annual report to Congress (the report for FY 1994 is currently being prepared). The reporting requirements of section 3 of H.R. 1024, however, would place an additional administrative burden and cost, unknown at this time, on GPO and Federal agencies, primarily for information collection.

**Definitions.** The definition of "Government publication" provided in H.R. 1024 appears to be built on the definition provided in section 1901 of Title 44, but it eliminates the phrase "as an individual document" found in current law. The elimination of this phrase suggests a specific intent to have "Government publication" mean more than just printed documents;



indeed it could extend to all online and electronic formats in addition to printing. This raises a number of concerns.

Forcing agencies to come to GPO for all electronic services would contradict the provisions of P.L. 103-40, which authorizes agencies to come to GPO for online services. The language of the definition is also different from the definition of "Government publication" provided in OMB Circular No. A-130, "Management of Federal Information Resources," issued pursuant to the Paperwork Reduction Act of 1980, as amended. In addition, this broad definition contemplates coverage of products and services produced by equipment covered by the Brooks Act.

GPO totally supports providing an increased range of products and services in electronic format to achieve taxpayer savings and improve public access, but there is a better way to achieve this than through expansive, and ultimately unworkable, definitions in legislation.

GPO's provision of electronic services to agencies has worked best when GPO has demonstrated the range of value-added services it can provide to these products (e.g., in terms of cost-effective production and procurement and maximizing public access through the Depository Library Program), rather than by forcing agencies to come in for their electronic products. This is the strategic direction that has been advocated for GPO's electronic services by such organizations as OTA in its 1988 report to Congress *Informing the Nation*, and by OMB in its testimony on GPO and the NPR before the Senate last year. Compulsory use of GPO for all electronic services, conceivably right down to construction of agency home pages, would be difficult and highly costly to achieve. The scope of these costs are unknown.

There would also be costly impacts associated with H.R. 1024's definition of "printing." This definition includes the phrase "production of an image on paper or substrate by any means or equipment," which could include all Government CD-ROM work (GPO provides extensive CD-ROM services, but attracts rather than compels agencies to use them), ADP output, video tapes and discs, and related materials that currently fall under other statutes, including the Brooks Act. This is how this same language was understood by the conferees on the Legislative Branch Appropriations Act for FY 1995, who rejected its application to GPO. The scope of the costs that could result from the expansive definition of "printing" in H.R. 1024 is also unknown.

**GPO Accounts.** H.R. 1024 would establish separate and distinct accounts for work produced for the different branches of Government. While this can be done, it would impose additional administrative burdens and costs on GPO's accounting, budgeting, billing, and related systems.

Implementing this change would not materially affect GPO's financial results. GPO's system of accrual-based accounting was established by law to provide a flexible, business-like means of accounting for Government printing work. Financial losses posted in recent years are not the result of GPO's accounting system, but result principally from declining volume and the inability, enforced by a JCP resolution, to adjust prices consistent with cost as required by section 309 of Title 44.

GPO is committed to working under Congress's leadership and guidance to resolve the current financial situation, but I would also note that GPO's accounting system is sound as verified by recent financial audits conducted by Arthur Andersen under contract with the GAO.

**Prohibition on Inhouse Production.** There is a substantial contrast between the treatment of inhouse printing by H. Res. 24 and the way it is treated by H.R. 1024. H. Res. 24 would not prohibit the operation of inhouse production facilities, but instead may actually encourage it if the Administration fulfills its pledge regarding executive branch printing contained in the NPR. Moreover, H. Res. 24, while encouraging the procurement of congressional printing, also appears to permit the inhouse production of this printing by its continued authorization of GPO, albeit at a scaled back level. By contrast, H.R. 1024 would prohibit inhouse production and require all printing to be procured through GPO.

Sections 6, 7, and 8 of H.R. 1024 reflect in concept a measure that GPO has long advocated: the downgrading, consolidation, and closure of inhouse production capabilities in the executive branch which are inefficient, duplicate the capabilities of GPO's production facility, and produce printing which could be procured through GPO's Printing Procurement Program.

A substantial amount of the decline in work coming to GPO in recent years (there was a decline of approximately \$100 million in FY 1993) has been due to internal agency printing and duplicating operations, including sizable internal operations at the Defense Department (DOD), GSA, and in the Federal Prison Industries. Reviews conducted by the printing industry, GPO's Printing Procurement Department personnel, GPO's Inspector General, and the GAO have indicated that a significant amount of this printing could be procured through GPO at less cost, although the reviews vary on the extent of the savings. Equally as important, many of the publications being produced through internal agency operations are not being made available to the Superintendent of Documents' distribution programs, leading to the problem of fugitive documents.

**Anticipated Savings.** The amount of printing currently being performed inhouse by Federal agencies is considerable. The object class analysis for the FY 1996 Budget published by OMB indicates that printing and reproduction (object class 2400) for the Federal Government will total \$1.894 billion in FY 1995. However, GPO estimates, and OMB personnel have concurred, that this amount double-counts the value of GPO's printing procurements, first in the amounts budgeted by each agency and second in the figure reported for reimbursable obligations.

If the double-counting is subtracted from total obligations, the result is \$1.377 billion. Of this amount, GPO will handle an estimated \$517 million in procurements, \$90 million in congressional printing, and \$100 million in other inhouse printing, yielding a total value of Federal printing currently by-passing GPO of approximately \$670 million.

If a highly optimistic projection of 35 to 50 percent savings for procurement vs. inhouse production is applied to this data (and these savings percentages are optimistic because of the wide variation among different and sometimes conflicting data regarding savings achievable



through commercial procurement), there could be a potential savings of several hundred million dollars over a 5 year period.

However, it is not known what percentage of this printing is currently authorized to bypass GPO (e.g., printing authorized to be performed elsewhere, printing for the intelligence community, etc.), versus the amount that should come to GPO under Title 44 requirements. It is not possible for us therefore to conclusively compute the projected savings of this provision. The House budget resolution in May projected an annual savings of approximately \$145 million, based on implementation of H.R. 1024. This amount is substantially less than earlier projections of savings associated with this bill.

There is also a question regarding the level of savings, if any, to be achieved by eliminating the thousands of positions in the executive branch involved in the printing operations to be closed down (as of January 1995, for example, the GAO recently reported there were 2,343 employees alone at the Defense Printing Service). If they are subjected to reduction-in-force (RIF) procedures, the GAO and the Office of Personnel Management (OPM) report that the average cost would be \$36,300 to RIF each employee, based on severance and other administrative costs. Such an expense would drastically curtail the savings to be achieved in the first year this legislation is implemented.

Also, if all inhouse operations are to be closed, including GPO's production operations, the Government would have to sustain a huge loss from the equipment and technologies that would suddenly be rendered surplus to its needs. The cost impact of this is unknown.

**Exemptions from the Prohibition on Inhouse Production.** Sections 6 and 8 of H.R. 1024 would authorize a substantial amount of printing to continue to evade GPO, and would even increase that amount over what is currently statutorily permissible. These factors would have to be taken into consideration in any projection of anticipated savings.

Under H.R. 1024, printing for the Central Intelligence Agency, the Defense Intelligence Agency, and the National Security Agency would be exempt from coming to GPO. I have no objection to this.

However, other printing that is authorized by law to be printed elsewhere would continue to be exempt. There is no effort made by the bill to review these authorizations, some of which have a sound basis, but others of which have been enacted at the request of agencies for no other reason than to place their printing directly within their administrative control. For example, in 1988 four Federal agencies (the Territorial Sea Commission, the National Oceans Policy Commission, the Commission on the Bicentennial of the Constitution, and the research institutes of the National Institutes of Health) were statutorily authorized to do their own printing inhouse, circumventing the requirements of Title 44. Legislative waivers such as these would be left intact by H.R. 1024.

Also, H.R. 1024 would exempt printing classified by DOD from coming to GPO for procurement, despite the fact that GPO for decades has procured classified printing for DOD from private sector contractors cleared by DOD itself.

Finally, under the definition of "printing" in section 4, "desktop composition and the production of camera ready copy or electronic media used in the printing process" would be exempted from the requirement for procurement throughout the Government. In addition to leaving agencies with a substantial prepress and composing capability, this provision would permit GPO to retain all prepress and associated operations.

All of these exemptions from the prohibition on inhouse production in H.R. 1024 would reduce any savings claimed by the bill.

**Limitation on Inhouse Production.** The biggest loophole is in section 8 of H.R. 1024. Under this section, agencies will be able to produce limited quantities of printing internally: up to 4,000 printing units (defined as one sheet of 8 1/2" x 11" paper printed on one side) for a single sheet document or 20,000 printing units for a multi-paged document.

A major problem with this kind of prohibition is that it sweeps away the potential for using some types of inhouse production effectively although the general intent is to bar it for most purposes. For example, this provision would bar the Government from taking full advantage of print-on-demand technologies which have been demonstrated to be economical alternatives to printing for certain kinds of requirements, such as calling up and printing out limited quantities of congressional documents. Such a system is in operation in the Senate and one is under development in the House. GPO itself also maintains this capability for on-demand congressional as well as selected agency work.

If widely observed and enforced, the 20,000 page limitation would prevent a print-on-demand system from running out more than 66 copies of a 300 page bill (19,800 units). It could also prevent the inhouse production of a State of the Union Message (in 1991, President Bush's State of the Union Message, produced in the hours immediately preceding its delivery, was 8 pages with a cover printed in 2,500 copies, a volume exceeding the 20,000 unit limit).

More importantly, this provision is a problem because it would exempt a vast amount of printing from having to come to GPO for procurement. While the dollar value of the exempted jobs would be low, the average value of the vast majority of Government printing jobs themselves is already low. In 1994, over 87 percent of all jobs procured by GPO were worth \$2,500 or less; the average value of a job worth \$2,500 or less was \$475.00.

Under the section 8 exemption, an agency could use high-speed duplicating equipment to produce up to 20,000 units of a multi-page document, such as 500 copies of a 40-page report. At an estimated production cost of 2 cents per page, that is a job worth \$400, right in the same range of most jobs procured by GPO. If the jobs procured by GPO are any indication of the kinds of work currently by-passing GPO, a substantial portion of the \$670 million that now escapes us could continue to escape under H.R. 1024, and indeed may be increased.

It is important for this Committee to understand that there is no equivalent exemption for printing provided by current law, and for good reason. Even in low production volumes, Government printing jobs make up the vast majority of printing orders procured from the private sector. They also make up a significant portion of the titles included in the



Depository Library Program. With the exemption afforded by section 8, agencies would be given a green light to evade GPO on a wide range of work and the fugitive document problem could grow exponentially.

The section 8 provision is essentially unenforceable, just as every office manager who has ever tried to police the use of the office copier already knows. Jobs can go unreported. Agencies would find it easy to evade the limitation simply by duplicating the same document in successive jobs, each of which would technically comply with the limitation but which in total would vastly exceed it.

Agencies will have a financial incentive to evade the limitation. With the ever-growing capacity of high-speed duplicating equipment, high production volumes have to be sustained to justify the investment in the equipment. If agencies continue to purchase expensive duplicating equipment with their even more expensive service agreements, as they are currently doing, the incentive will be to use them at peak capacity levels, not to have them standing by simply to produce the limited quantities authorized by H.R. 1024.

Agencies already have an incentive to use duplicating equipment to maximum capacity in the Administration's continuing position, first articulated in the President's signing statement on the Legislative Branch Appropriations Act for FY 1995 and recently reiterated in an opinion rendered by the Justice Department's Office of Legal Counsel, that duplicating should not be subject to the same requirements as printing under Federal law. GPO has raised serious concerns with this position because of its potential costs and its detrimental impact on public access to Government information.

Nevertheless, the limitation in section 8 will help give the go-ahead to the Administration's position, and with the equipment and its operation in the hands of executive agencies, the temptation will certainly be there to ignore the limitation. Current law requires that all printing that is commercially procurable should be sent to GPO for procurement from the private sector, regardless of the size of the job.

**Procurement of Congressional Printing; Potential Savings.** GPO fully supports the procurement of printing that is commercially procurable, e.g., purchasable from the private sector on the same terms (timeliness, quality, and control) at less cost.

Timeliness and control become paramount concerns that often dictate whether a job is procurable at all. H.R. 1024 itself asserts that control is an issue by proposing to remove DOD security work from GPO's Printing Procurement Program. Also, the terms on which a publication is procured can affect any savings to be achieved. The procurement of the NPR's final report in 1993 is a case in point. Because it was purchased on a rush schedule using costly materials, the report cost substantially more than it would have otherwise.

Based on long experience with Government printing, GPO has serious concerns about whether any savings can be achieved by procuring congressional printing. GPO also has concerns about the level of control that could be retained over printing that ultimately is essential to the legislative process if it is commercially procured.

It has yet to be established that Congress can procure items such as the *Congressional Record* and related products from the private sector on the same terms as it now receives them, at reduced cost. The historical record, although dated, shows the opposite: that when the production of congressional work was removed from the private sector and turned over to the newly created GPO, Congress realized savings on printing production.

Claims of 50 percent savings for the procurement of congressional work are significantly overstated. As noted above, GPO's prepress systems would be exempt from procurement under H.R. 1024, precluding the application of any savings percentage to the overall cost of congressional work. GPO data indicates that on the average, 45 percent of the cost of producing all congressional work is for prepress and related activities alone. On some individual products, the percentage of cost due to prepress work is much higher; for example, approximately 66 percent of the cost of the *Congressional Record* is for prepress work.

A projection of 50 percent savings itself is highly optimistic and may be unrealistic with respect to congressional work. Government studies have produced a wide range of projected savings on procured work, and these studies have been applied only to executive printing. None has ever been applied to the unique requirements of congressional work.

Until just recently, GPO has had no inquiries or interest from the printing industry regarding the specifications, scheduling, and related requirements of congressional work in order to prepare a private sector estimate. GPO is fully prepared, however, to conduct such an inquiry, at the request of Congress, including the preparation of a Statement of Work, the conduct of a Preproposal Conference, and other steps consistent with the Procurement Integrity Act and related statutes to develop comparative private sector cost proposals.

I would note, however, that without a clear decision by Congress to procure congressional work and the consequent expectation by potential contractors that they will be held financially and legally responsible for performing the work under the estimates they have submitted, any such estimates should be regarded as highly speculative.

It is clear that H.R. 1024 would require GPO to close down the Press and Binding Divisions, plus some other functions in Production, Materials Management, Quality Control and Technical Department, Engineering, and associated operations that could be made expendable by privatizing congressional work as well as other inhouse printing.

There are approximately 1,100 full-time equivalents (FTE's) in the Press and Binding divisions, with an annual average salary and benefits figure of \$48,600 (which includes all related supervisory personnel). Eliminating these positions would yield an annual reduction in personnel costs in the first year of \$13.6 million (\$53.5 million less projected RIF costs of \$39.9 million). The Government would also incur costs associated with nullifying its investment in press and binding equipment. GPO recently completed the acquisition and installation of 3 state-of-the-art web offset presses at a total cost of \$18 million.

Approximately 250 additional positions in associated functions could also be made expendable. The average GPO salary for all positions is \$49,000 (including all management and supervisory personnel). The elimination of these positions would yield an additional reduction in personnel costs in the first year of \$3.2 million (\$12.3 million less RIF costs of



\$9.1 million), for an overall reduction in GPO personnel costs in the first year of \$16.8 million. Of course, these savings would be offset, although to an unknown extent, by the costs of having to contract out the work these functions perform.

At the same time, the potential for increased procurement work for GPO, as well as associated distribution work through the Depository Library Program, would require additional personnel in these GPO areas. Without knowing how much of this work is likely to come in due to various exemptions under the bill, it is difficult to predict whether existing contracts could handle it or how much additional staffing would be required. The costs of any additional staffing required to process an increased procurement and distribution workload would offset any savings to be achieved from the personnel reductions in GPO's plant printing operations. The extent of this cost is unknown.

The volume of congressional printing (approximately 2.3 billion units in 1994) would preclude all but a few of the very largest printing firms in the United States from competing for this work, since the average firm employs just 20 people according to printing industry estimates. Widespread competition for Government printing jobs is a key factor to achieving any savings in printing procurement. Without such competition, the potential to achieve savings from the procurement of congressional work is not likely, and in fact the costs of this printing may rise above current levels.

If the sense is to break up congressional printing jobs and parse out this work to a wide variety of printers, economies made achievable by the consolidated operation of GPO's electronic prepress systems are likely to be overtaken by the increased administrative burden of managing multiple procured jobs among multiple contractors. The control of congressional printing would also be a problem under such conditions.

Prior testimony has suggested that by changing the delivery requirements of congressional printing, it could be procurable. That is probably true, but changing these requirements would also substantially lower GPO's production costs as well.

**Comparison of GPO and Private Sector Costs.** GPO performs congressional printing at cost, while a contractor would charge cost plus a percentage for profit. There are allegations that GPO's costs are too high for the services performed, but these allegations are frequently made, for example, within the context of comparing average printers' wages drawn from around the Nation to the wages paid to GPO employees in the Washington, DC, area.

These comparisons often reveal a great deal less than they purport to. GPO is not comparable to any other printing firm in the United States, based first on the types of work GPO is required to do (book and job work, newspaper printing, and a wide range of other work). Most printers specialize in one kind of work; GPO must maintain expertise in many. As a Government agency, GPO is required by law and regulation to maintain many programs and operations (Inspector General, EEO, etc.) that private sector companies are not required to have. By law, GPO's employees are entitled to organize and have union representation; again most private sector companies, because of their size, are unorganized.

Finally, compared to other organized workplaces in the greater metropolitan area (one of the highest cost-of-living areas in the Nation), GPO's wages are comparable. Compositors' wages at the Washington Post for both day and night shifts, for example, when averaged against GPO's are five percent higher; this fact needs to be weighed against data indicating that an average issue of the *Congressional Record* contains 4 to 6 times the amount of type as in an average metropolitan daily newspaper. Similar wage comparisons can be found for press and bindery work with other area printing wage contracts. The allegation, therefore, that GPO's costs are wholly out of line with costs in the printing industry in general needs to be balanced against these factors.

**Comparison of the *Congressional Record* to a Newspaper.** There is little realistic comparability between the production of the *Congressional Record* and the average newspaper, regardless of the newspaper's delivery system.

A large metropolitan daily newspaper will run approximately 60 pages each day, and may vary from 48 to 72 pages, a much more tightly defined and consistent variation from the median than the *Record*. With the exception of front pages held open for late breaking news, a daily newspaper follows a schedule of rigid and consistent deadlines. Most ad space, which takes up a vast amount of newspaper space, is preset, and journalists are frequently assigned column inches for their stories. As noted above, the average *Record* contains 4 to 6 times the amount of type as the average metropolitan daily newspaper, which contains a high percentage of camera copy ads, photos, and other work.

By contrast, GPO must print everything that happens on the floor of Congress each day in the *Record*, regardless of whether the printing totals 16 pages or 400 pages. GPO cannot assign column inches to Members; if a Member speaks at any length on a subject, if a Senator conducts a filibuster, GPO must print every word spoken. The printing cannot occur until Members have had a chance to "revise and extend" their remarks, as is their privilege, and which often adds new material to be printed.

Moreover, the *Record* must contain additional materials, such as the Daily Digest, that can be compiled only when the day's proceedings are ended. Finally, print production cannot take place until Congress has adjourned for the day or GPO makes a decision to cut the proceedings so that at least some portion of the *Record* will be available when the Members reconvene. In all of these respects, the production of the *Record* is significantly different from the production of a newspaper. Indeed, apart from the fact that both products are printed on newsprint, there is little similarity at all.

**Desirability of Procuring Congressional Printing.** The overriding question that needs to be addressed is the desirability of contracting out printing needs which are essential to the conduct of the Nation's legislative business to a private sector firm. Within the context of history, this represents less a movement toward reform than it does a revisitation of the past, when congressional printing was the exclusive province of private printers.

As history discloses, contractors frequently failed to perform on time or even to complete the work, and generated enormous costs (for their time). Congress remedied these problems with the creation of the GPO in close physical proximity and under close congressional scrutiny. Government performance of this critical work also parallels the performance by



other governments of their legislative printing both among the 50 States and around the world.

With the primary mission of serving Congress, GPO has taken a variety of measures, including equipment back-ups, personnel contingency plans, and paper storage, to ensure that congressional work is delivered on time when it is needed. GPO has inclement weather emergency plans to ensure the plant is always staffed and operating when Congress is in session, and a variety of security measures are in place to prevent the unauthorized disclosure of highly important congressional work. All of these factors must be weighed in any decision to remove the responsibility for this critical work from GPO and place it with an untried private contractor.

As this Committee is aware, far from moving toward greater procurability of congressional printing, the House and Senate are currently moving toward asserting greater control at the source over their own printing with the implementation of print-on-demand systems for selected products. With the continued implementation of these systems, with GPO's assistance, Congress can achieve savings and improved control.

**Relaxed Restrictions on Government Printing.** There are a number of other impacts of H.R. 1024 that require close examination.

Section 9 of H.R. 1024 would make it easier to authorize the use of illustrations in Government printing. The use of illustrations is currently limited by section 1104 of Title 44. Because printing illustrations can be more expensive than simply using straight text, the Government's printing costs are likely to rise.

Under section 10, the Public Printer's current authority under section 1105 of Title 44 to determine the most economical methods of printing will be weakened. This also could potentially raise costs. Also, section 10 of the bill, as well as section 9, appear to be contradictory to the provision in section 2, which would empower the Public Printer to take any measures necessary to remedy waste in printing.

**Provisions Affecting Documents Distribution.** While the increased flow of agency work into GPO resulting from the abolition of agency printing could potentially improve the comprehensiveness of information made available to the public through GPO's distribution programs, other provisions of H.R. 1024 appear to have only a weak or potentially negative affect on information distribution.

Section 11 would amend section 1722 of Title 44 to provide that department heads must furnish the Superintendent of Documents with any Government publication they publish other than through GPO. This provision is a good idea, but it is essentially unenforceable, as are similar provisions already in existence in section 1710 of Title 44, requiring the submission of a copy of every document published by the departments, and in chapter 19 of Title 44, which requires agencies that produce publications elsewhere than GPO to furnish the requisite number of copies, at their expense, to GPO for depository distribution. The absence of an enforcement or incentive mechanism for this new provision suggests that it is not likely to be widely observed.

Section 12 contains a provision GPO first observed in Title XIV of H.R. 3400. This concept could have major impacts on established Government information dissemination mechanisms, including the Superintendent of Documents. This section mandates the availability of all Federal publications "throughout the Government to any department, agency, or entity of the Government for use or redissemination." According to the Committee on House Administration report accompanying H.R. 3400, this provision "states as a matter of policy that publications that are required to be made available to Congress shall also be made available to other Government agencies at no cost and without restriction."

Under current law, agencies requesting publications from issuing agencies must either "ride" the requisition for printing and pay the marginal costs of printing and binding, or pay the sales price of publications obtained through the Superintendent of Documents sales program. Under section 12, however, the requesting agency would be entitled to any number of publications it wants "at no cost," and for any purpose. This could be disadvantageous to established dissemination programs, such as the Superintendent of Documents, which could not only be required to transfer their publications at no charge to requesting agencies, but transfer them without compensation to other Government dissemination programs, such as the National Technical Information Service, which could then redisseminate them.

These observations apply not only for printed but electronic publications, which would be affected by this section. Overall, there is significant potential in section 12 for undermining GPO's dissemination programs, promoting duplication and confusion among Government information dissemination outlets and the public which uses them, and impairing the accountability for Government publications.

An additional provision under section 12 to permit the Superintendent of Documents to republish publications and charge the originating agency could have some usefulness, but this would be primarily to republish documents for depository distribution since most publications sales occur immediately following the publishing date; there is little sales market for reprints.

However, there will be increased costs associated with this provision. It is always more expensive to reprint than to obtain copies on the initial printing, so to achieve savings it would be better to devise incentive mechanisms that improve the capture of Government publications by the Superintendent of Documents the first time around. There also has to be a willingness by agencies to pay for the republication of documents before the fact, since current law requires agencies, including the Superintendent of Documents, to certify the availability of funding to cover the printing before the printing is performed.

**Reports on Printing Costs and Scoring of Sales of Assets.** The reporting requirement for data on every Federal publication in section 13 of H.R. 1024 would be burdensome to agencies and is likely to impose an administrative cost on agency operations.

As to the change in scoring of sales of assets, presumably this is a provision that would apply to the potential sale of GPO buildings, a proposal that has been linked with H.R. 1024. It is not clear what buildings could be sold as the result of this legislation, however. GPO's Building 4 warehouse, which houses paper storage and the production capability for passports and postal cards, could presumably be sold since these functions would be prohibited by the bill. Proper disposition of the passport and postal card production process needs to be made



beforehand, however, including detailed consultation with the State Department and law enforcement agencies concerning the procurement of passports, which are highly protected documents.

Other than Building 4, however, GPO would still require space for a workforce of approximately 3,000 employees, and possibly more depending on new workload requirements created by the H.R. 1024. Since GPO's highly integrated prepress electronic systems, with their proximity and connections to Capitol Hill, would still be required by GPO, a removal of this capability and GPO's employees to another location would appear to be both costly and disruptive to ongoing operations.

## **H.R. 1923**

The Committee has not requested comments on this legislation, but as section 17304 of H.R. 1923 bears directly on "Government Information Dissemination and Printing Improvement," comments are provided here consistent with my comments on other pending legislation affecting GPO.

Section 17304 of H.R. 1923 essentially replicates the provisions of H.R. 3400 as introduced in the 103d Congress. It would transfer all of GPO, except the Superintendent of Documents, to the executive branch; transfer the Superintendent of Documents to the Library of Congress; revoke the charters of all printing plants in the executive branch authorized by the JCP; confer additional responsibilities currently held by the JCP on the Public Printer; and make changes affecting the dissemination of Government publications similar to those contained in H.R. 1024.

Apart from the entire transfer of the GPO to the executive branch, which interestingly would place the responsibility for congressional printing with the President, I have already provided comments on the other aspects of this legislation in my comments on H.R. 252, H. Res. 24, and H.R. 1024. As a footnote, I would suggest that revoking the charters of agency plants authorized by the JCP, while a good idea, would impact agency printing only to some extent, since many agency printing and duplicating operations are conducted in other-than-authorized facilities, as OMB discovered in a survey of agency printing and duplicating operations during the 1980's.

Mr. Chairman, this concludes my prepared statement and I would be pleased to answer any questions the Committee may have.



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